

2Q 2018 Earning Release

25 July, 2018



This company has adopted its financial statements under Korean International Financial Reporting Standards(K-IFRS).

This IR presentation has been prepared based on internally audited figures and final figures may change due to the results of independent auditors' review.

2Q '18 Results

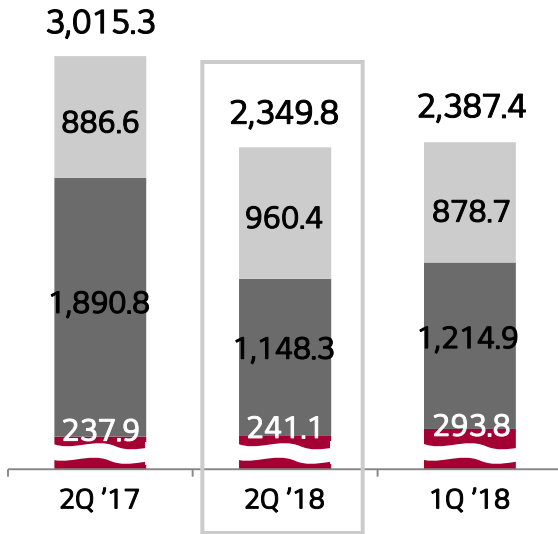
(KRW Bn)	2Q '17	YoY	2Q '18	QoQ	1Q '18
Sales	3,015.3	Δ22.1%	2,349.8	Δ1.6%	2,387.4
Operating Profit	39.2	+38.8%	54.4	Δ10.4%	60.7
Profit Before Tax	34.2	+43.9%	49.2	Δ29.3%	69.6
Net Profit	14.5	+91.0%	27.7	-	Δ78.1

2Q '18 Results

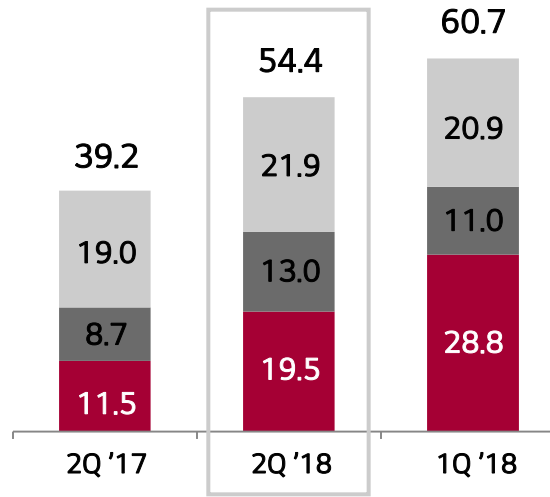
■ Resources ■ Infra & Industrial ■ Logistics

(KRW Bn)

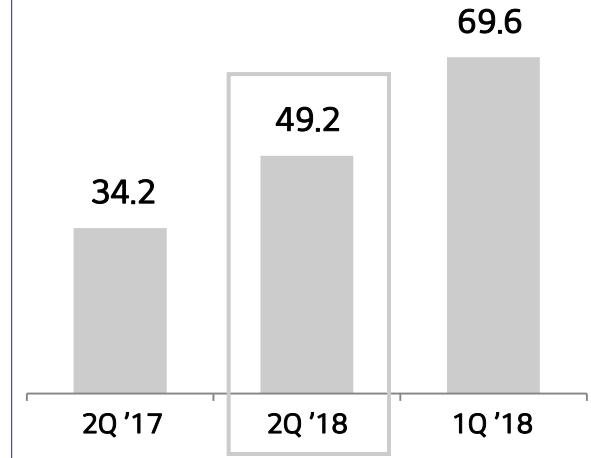
Sales



Operating Profit



Profit Before Tax



□ Operating Profit

[YoY +15.2]

- Resources +8.0
 - Favorable coal market conditions
 - Oil shipment at Oman 8 oil field
- Infra & Industrial +4.3
 - Favorable forex effects on IT Trading
- Logistics +2.9
 - Improve margins on the back of W&D volume growth

[QoQ Δ6.3]

- Resources Δ9.3
 - Reduction in production volume at MPP coal mine due to heavy rain
- Infra & Industrial +2.0
 - Favorable forex effects on IT Trading
- Logistics +1.0
 - Improve margins on the back of W&D volume growth

□ Profit Before Tax

[YoY +15.0]

- Operating Profit +15.2
- Non-Operating Profit Δ0.2

[QoQ +20.4]

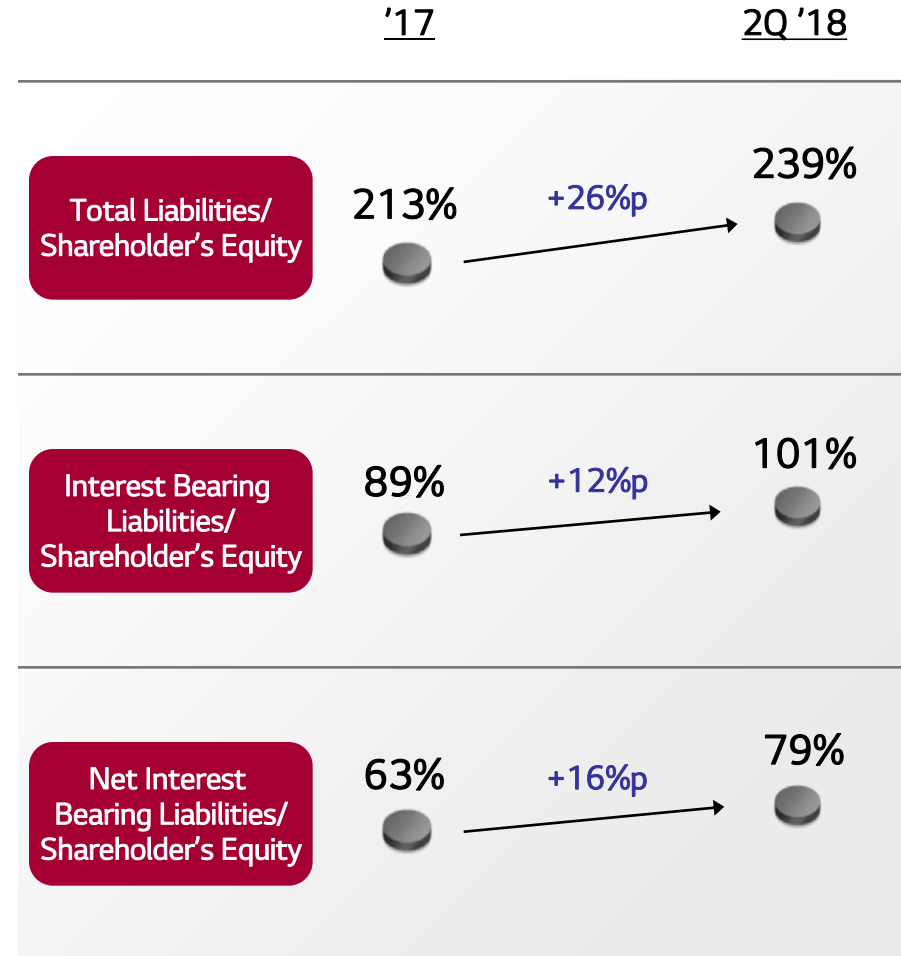
- Operating Profit Δ6.3
- Non-Operating Profit Δ14.1

Financial Highlights

Financial Positions

(KRW Bn)	'17	2Q '18
Assets	4,967.6	5,292.8
Cash & Cash Equivalents	407.6	341.9
Trade Receivables	1,276.1	1,139.8
Inventories	598.1	557.4
Investments/Intangible Assets	1,502.2	1,581.9
Others	1,183.6	1,671.8
Liabilities	3,382.1	3,730.8
Trade Payables	1,416.0	1,148.5
Borrowings	1,406.6	1,581.5
Others	559.5	1,000.8
Shareholders' Equity	1,585.5	1,562.0
Capital Stock	193.8	193.8
Surplus, etc.	1,391.7	1,368.2
Net Borrowings ¹⁾	999.0	1,239.6

Financial Ratio



1) Net Borrowings = Borrowings - (Cash & Cash Equivalents + Short term financial instrument)

Balance Sheet (K-IFRS Consolidated)

(KRW Bn)

Items	2017				2018	
	1Q	2Q	3Q	4Q	1Q	2Q
Assets	5,367.3	5,318.1	5,688.2	4,967.6	5,322.5	5,292.8
Current Assets	2,906.5	2,815.8	3,180.0	2,554.2	2,908.4	2,785.6
Cash & Cash Equivalents	403.2	309.2	388.8	395.2	444.3	333.8
Trade Receivables	1,486.1	1,535.6	1,719.9	1,276.1	1,171.7	1,139.8
Inventories	648.1	616.1	706.2	598.1	463.3	557.4
Other Current Assets	369.1	354.9	365.1	284.8	829.1	754.6
Non-Current Assets	2,460.8	2,502.3	2,508.2	2,413.4	2,414.1	2,507.2
Tangible Assets	530.5	554.7	556.8	552.5	564.0	588.5
Investments	647.6	654.2	666.5	620.4	651.7	678.0
Intangible Assets	925.2	942.0	936.7	881.8	881.2	903.9
Other Non-Current Assets	357.5	351.4	348.2	358.7	317.2	336.8
Liabilities	3,773.5	3,685.8	4,002.7	3,382.1	3,811.5	3,730.8
Current Liabilities	2,372.6	2,338.8	2,651.7	2,130.3	2,466.6	2,332.5
Trade Payables	1,651.5	1,585.1	1,835.8	1,416.0	1,154.4	1,148.5
Short-term Borrowings	160.3	143.0	187.5	130.7	193.4	216.6
Current Portion of Bonds and Long-Term Borrowings	72.2	155.4	165.2	164.8	141.3	124.1
Other Current Liabilities	488.6	455.3	463.2	418.8	977.5	843.3
Non-Current Liabilities	1,400.9	1,347.0	1,351.0	1,251.8	1,344.9	1,398.3
Bonds Payables	389.1	329.2	329.2	329.3	429.0	478.9
Long-term Borrowings	875.1	875.5	875.3	781.8	765.3	761.9
Other Non-Current Liabilities	136.7	142.3	146.5	140.7	150.6	157.5
Equity	1,593.8	1,632.3	1,685.5	1,585.5	1,511.0	1,562.0

Income Statement (K-IFRS Consolidated)

(KRW Bn)

Items	2017					2018		
	1Q	2Q	3Q	4Q	Total	1Q	2Q	Total
Sales	3,057.8	3,015.3	3,311.8	3,442.3	12,827.2	2,387.4	2,349.8	4,737.2
Cost of Sales	2,847.4	2,841.4	3,113.3	3,274.6	12,076.6	2,201.2	2,157.4	4,358.5
Gross Profit	210.4	173.9	198.5	167.7	750.6	186.2	192.4	378.7
SG&A Expenses	129.0	134.7	133.5	141.1	538.3	125.5	138.0	263.6
Operating Profit	81.4	39.2	65.0	26.6	212.3	60.7	54.4	115.1
Non-Operating Profit	(6.3)	(5.0)	(9.8)	(13.2)	(34.4)	8.9	(5.2)	3.7
Finance Income/Costs	(12.1)	(6.1)	(8.5)	(11.8)	(38.6)	(7.4)	(16.4)	(23.8)
Gain(loss) of Equity Method	4.7	1.2	(0.4)	9.6	15.1	15.3	13.6	28.9
Other Income and Expenses	1.1	(0.1)	(0.9)	(11.0)	(10.9)	1.0	(2.4)	(1.4)
Profit Before Tax	75.1	34.2	55.2	13.4	177.9	69.6	49.2	118.8
Income Tax	21.4	19.7	24.4	24.2	89.7	147.7	21.5	169.2
Net Income	53.7	14.5	30.8	(10.8)	88.2	(78.1)	27.7	(50.4)
Owners of the Parent	45.7	6.5	22.0	(14.0)	60.2	(87.5)	18.4	(69.2)
Non-Controlling Interests	8.0	8.0	8.8	3.2	28.0	9.4	9.3	18.8